

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** By **CHAIRMAN CHASE HIBBARD**, on January 20, 1999 at 8:00 A.M., in Room 437 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Chase Hibbard, Chairman (R)  
Rep. Kim Gillan, Vice Chairman (D)  
Rep. Bob Story, Vice Chairman (R)  
Rep. Gary Beck (D)  
Rep. Rick Dale (R)  
Rep. Bob Davies (R)  
Rep. Ron Erickson (D)  
Rep. Daniel Fuchs (R)  
Rep. Mary Anne Guggenheim (D)  
Rep. Marian Hanson (R)  
Rep. Hal Harper (D)  
Rep. Dan Harrington (D)  
Rep. John L. Holden (R)  
Rep. Verdell Jackson (R)  
Rep. Scott J. Orr (R)  
Rep. Bob Raney (D)  
Rep. Bill Rehbein (R)  
Rep. Sam Rose (R)  
Rep. Trudi Schmidt (D)  
Rep. Roger Somerville (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Donna Grace, Committee Secretary  
Jeff Martin, Legislative Branch

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted:

HB 108, 1/12/1999  
HB 39, 1/12/1999  
HB 248, 1/12/1999  
HJR 2, 1/8/99 (Continued)

Executive Action: None.

**HEARING ON HB 108**

**Opening Statement by Sponsor:**

Rep. Emily Swanson, House District 30, Bozeman, opened the hearing on HB 108 which would exempt the first \$25,000 value of homes, adjust the tax rate and decrease statewide mills.

**EXHIBIT**(tah15a01) **EXHIBIT**(tah15a02) **EXHIBIT**(tah15a03)

*{Tape : 1; Side : A; Approx. Time Counter : 2.1}*

**Proponents' Testimony:**

Ron deYong, Montana Farmers Union

*{Tape : 1; Side : B; Approx. Time Counter : 4.5}*

Carson Strege, Montana People's Action

*{Tape : 1; Side : B; Approx. Time Counter : 8.1}*

Verner Bertelson, Montana Senior Citizens' Association

*{Tape : 1; Side : B; Approx. Time Counter : 9.1}*

Don Judge, Montana AFL-CIO **EXHIBIT**(tah15a04)

*{Tape : 1; Side : B; Approx. Time Counter : 10.2}*

Bob Ream, Former Representative and Member of the House Taxation Committee, Montana Democratic Party

*{Tape : 1; Side : B; Approx. Time Counter : 15.7}*

Brenda Wahler, on behalf of her parents.

*{Tape : 1; Side : B; Approx. Time Counter : 18.8}*

**Opponents' Testimony:**

Ronda Carpenter, Montana Housing Providers

*{Tape : 1; Side : B; Approx. Time Counter : 21.4}*

Informational Testimony:

Riley Johnson, National Federation of Business Owners

{Tape : 1; Side : B; Approx. Time Counter : 23.7}

Questions from Committee Members and Responses:

{Tape : 1; Side : B; Approx. Time Counter : 27.4}

Closing Statement by Sponsor:

Rep. Swanson closed.

{Tape : 2; Side : A; Approx. Time Counter : 7.4}

HEARING ON HB 248

Opening Statement by Sponsor:

Rep. Dan Harrington, House District #38, opened the hearing on HB 248, a bill which would resolve a dispute between the Silver Lake water system, a part of the Butte system, and the DOR.

{Tape : 2; Side : B; Approx. Time Counter : 12.2}

Proponents' Testimony:

Robert McCarthy, County Attorney, Butte-Silverbow.

{Tape : 2; Side : B; Approx. Time Counter : 18.6}

Evan Barrett, Montana Economic Development Association

{Tape : 3; Side : A; Approx. Time Counter : 1.1}

Peggy Zorn, Clerk, City of Great Falls

{Tape : 3; Side : A; Approx. Time Counter : 4.6}

Alex Hanson, Montana League of Cities and Towns

{Tape : 3; Side : A; Approx. Time Counter : 6}

Russ Ritter, Montana Resources

{Tape : 3; Side : A; Approx. Time Counter : 7.8}

Jim Smitham, Butte-Silverbow Tax Investment Board

{Tape : 3; Side : A; Approx. Time Counter : 10}

Chris Gallus, Montana Chamber of Commerce

{Tape : 3; Side : A; Approx. Time Counter : 11.3}

Opponents' Testimony:

Mary Bryson, Director, Department of Revenue  
{Tape : 3; Side : A; Approx. Time Counter : 12.4}

Questions from Committee Members and Responses:

{Tape : 3; Side : A; Approx. Time Counter : 18.4}

Closing Statement by Sponsor:

Rep. Harrington closed the hearing.  
{Tape : 3; Side : B; Approx. Time Counter : 6.7}

HEARING ON HB 39

Opening Statement by Sponsor:

Rep. Kim Gillan, House District 11, said HB 39 would exempt the first \$25,000 of value of Class 8 business equipment.

**EXHIBIT**(tah15a05) **EXHIBIT**(tah15a06) **EXHIBIT**(tah15a07)  
{Tape : 3; Side : B; Approx. Time Counter : 12.5}

Proponents' Testimony:

Rep. Monica Lindeen, House District 7  
{Tape : 3; Side : B; Approx. Time Counter : 19}

Riley Johnson, Independent Business Association  
{Tape : 3; Side : B; Approx. Time Counter : 24.4}

Evan Barrett, Montana Economic Development Association  
{Tape : 3; Side : B; Approx. Time Counter : 27.6}

Ron deYong, Montan Farmers Union  
{Tape : 4; Side : A; Approx. Time Counter : 1.2}

Former Rep. Jerry Driscoll, Billings  
{Tape : 4; Side : A; Approx. Time Counter : 5.9}

John Youngberg, Montana Farm Bureau  
{Tape : 4; Side : A; Approx. Time Counter : 8.4}

Don Judge, Montana AFL-CIO, **EXHIBIT**(tah15a08)  
{Tape : 4; Side : A; Approx. Time Counter : 10.1}

Former Rep. Bob Ream, Montana Democratic Party  
{Tape : 4; Side : A; Approx. Time Counter : 12.1}

Chris Gallus, Montana Chamber of Commerce  
{Tape : 4; Side : A; Approx. Time Counter : 14.1}

Opponents' Testimony: None.

Questions from Committee Members and Responses:

{Tape : 4; Side : A; Approx. Time Counter : 17.5}

Closing Statement by Sponsor:

Rep. Gillan closed.  
{Tape : 4; Side : A; Approx. Time Counter : 23.7}

HEARING ON HJR 2 - CONTINUED

Terry Johnson, Legislative Fiscal Division  
{Tape : 4; Side : B; Approx. Time Counter : 0.1}

Joe Mazurek, Attorney General, State of Montana, comments on the  
tobacco settlement.  
{Tape : 4; Side : B; Approx. Time Counter : 1}

Chris Tweeten, Attorney, Department of Justice **EXHIBIT**(tah15a09)  
{Tape : 4; Side : B; Approx. Time Counter : 2.5}

Questions from Committee:

{Tape : 4; Side : B; Approx. Time Counter : 23.1}

Adjourn.  
{Tape : 5; Side : A; Approx. Time Counter : 5}

**ADJOURNMENT**

Adjournment: 12:00 A.M.

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REP. CHASE HIBBARD, Chairman

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DONNA GRACE, Secretary

CH/DG

**EXHIBIT** (tah15aad)